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Federal Impact on State Resources Selling California's water down the river

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Within the next few months, the federal government -- with little fanfare and even less public scrutiny -- will likely sign away millions of acre-feet of public water to a few wealthy irrigation districts in the Central Valley that have long benefited from decades of multibillion-dollar water subsidies. Even as the acreage they irrigate shrinks, the U.S. Interior Department's Bureau of Reclamation will grant those lucky districts -- for decades into the future -- more subsidized water than the San Francisco Bay Area, Los Angeles and San Diego combined.

It doesn't need to be this way. In fact, it's not even supposed to be. Eleven years ago, Congress passed, and President George H.W. Bush signed, the Central Valley Project Improvement Act. On Friday, a conference in San Francisco will convene to examine the impact and future of that landmark law. Most participants are likely to be disappointed.

Among the act's central provisions was reforming the way water contracts were signed between the federal government and California water districts. But the current Bush administration, whose Interior Department is staffed with allies and former employees of the giant water districts (themselves major financial supporters of Bush), is flouting the reforms and instead planning once again to give the lion's share of public water to special-interest irrigators.

When the expiring contracts were signed in the 1960s, California was a very different place than it is today. California's population has more than tripled in the last 50 years. The Central Valley (where most of the Central Valley Project's water now goes for irrigation) has lost a half-million acres of farmland to urbanization in the last 20 years alone, and the valley's nonfarm population will more than double by 2040. Land is also being voluntarily retired because of severe pollution contamination related to irrigation. What farming remains will have to maximize water consumption and minimize runoff degradation.

The goal of the Central Valley Project Improvement Act is the rational and flexible management of the state's most valuable, and limited, resource. But the Bureau of Reclamation is writing irrigators' contracts as though no changes were required for another quarter century. The federal government is also settling lawsuits with Central Valley Project contractors by promising them large volumes of water outside the normal contracting process. Doing so places the rest of the state -- the portion that is growing fastest, producing virtually all new jobs, construction of homes and new businesses -- at an enormous disadvantage.

Irrigators understandably prefer the cheap federal water (subsidized by taxpayers) instead of pumping their own groundwater or purchasing water on the emerging state water market. Whatever federal water they don't need they will sell to other Californians at hefty profits. Water-short areas may be forced to buy water for \$800 to \$1,000 an acre-foot from

irrigation districts that paid less than \$20 when they bought it from the taxpayers. That's not helping to irrigate crops, which was the intent of the Central Valley Project; it's providing an annuity to contractors who stood first in line half a century ago.

Every study of water supply concludes that irrigation subsidies promote excessive use of water and environmental ruination, whether in China or California. The Central Valley Project Improvement Act provides explicit conditions for future federal water contracts to avoid perpetuating that waste:

contracts of shorter duration; flexible delivery amounts that take changing state needs into account; increased prices to promote efficient irrigation practices; and a complete review of allocations, needs and costs after a single 25-year contract renewal.

Virtually all of the Bureau of Reclamation's negotiations with contractors are taking place in private or with minimal notification to other users. If new contracts ignore decades of changed conditions in California, it will take years of litigation and probably billions of public dollars in buyouts to extricate ourselves and allow us to allocate water in conformity with California's true needs. All that can be avoided if federal and state officials demand that the law be followed and the best interests of all Californians be served when new Central Valley Project contracts (which will expire in 2028) are signed, not just those of heavily subsidized, politically connected irrigation districts that were first in line a half century ago.

Rep. George Miller, D-Martinez, co-authored the Central Valley Project Improvement Act in 1992.

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